

17637782v1 (25400.002) UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY Caption in Compliance with D.N.J. LBR 9004-1(b)	
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In re: BLOCKFI INC., <i>et al.</i> , Wind-Down Debtors. ¹	Chapter 11 Case No. 22-19361 (MBK) (Jointly Administered under a Confirmed Plan)

**NOTICE OF DISTRIBUTION PERCENTAGE AND DIGITAL ASSET VALUE
WITH RESPECT TO THE FINAL CUSTOMER AND GENERAL CREDITOR
DISTRIBUTION**

On October 3, 2023, the Bankruptcy Court entered an order [Docket No. 1660] (the “Confirmation Order”) confirming the *Third Amended Joint Chapter 11 Plan of BlockFi Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (Additional Technical*

¹ The Wind-Down Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (in liquidation) (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Wind-Down Debtors’ service address is c/o M3 Partners LP, 1700 Broadway, 19th Floor, New York, NY 10019.

Modifications) [Docket No. 1609] (as amended and supplemented, the “Plan”).² The effective date of the Plan occurred on October 24, 2023 [Docket No. 1788] (the “Effective Date”).

Pursuant to the Plan, on July 22, 2024, the Plan Administrator announced the commencement of final 100% customer and general creditor distribution (the “Final Distribution”) [Docket No. 2357]. Following the execution of transactions to “rebalance” the digital assets of each of the Wind-Down Debtors, the Plan Administrator has finalized the amount of the Final Distribution and the value to be used for “in-kind” distributions of BTC, ETH, and USDC.

In accordance with the Plan, unsecured creditors of the following Wind-Down Debtors will receive the specified portion of the dollar value of their Allowed Claims (other than Convenience Claims):

<u>Debtor</u>	<u>Distribution Percentage</u> ³
BlockFi Inc.	72.6% (100% total)
BlockFi International Ltd.	55.7% (100% total)
BlockFi Lending LLC	52.5% (100% total)

Pursuant to the Plan, the Plan Administrator has determined that it is practicable to make distributions in kind for BlockFi customer accounts originally denominated in BTC or ETH or supported Stablecoin for the Final Distribution where such accounts had a “matching” Coinbase account as of the deadline of September 5, 2024 (“Eligible Customers”). Eligible Customers will

² Unless otherwise defined in this notice, capitalized terms used in this notice shall have the same meanings as the capitalized terms of the Plan and Confirmation Order, as applicable.

³ Rounded to the nearest tenth of a percent.

receive BTC and/or ETH and/or USDC⁴ valued in the amount of their applicable dollar-denominated Final Distribution.

Eligible Customers will receive BTC, ETH, or USDC using the same value, regardless of the date they receive the Final Distribution. For purposes of the Final Distribution, the values used for BTC, ETH, and USDC, which are the weighted average price for the transactions made by the Plan Administrator to rebalance the assets of the Wind-Down Debtors to enable in-kind distributions (rounded to the nearest cent), are:

BTC	\$63,265.17
ETH	\$2,593.19
USDC	\$1.00

As the Wind-Down Debtors lack the ability to make “in-kind” distributions except through “matching” Coinbase accounts, the Plan Administrator has liquidated to cash all unclaimed in-kind distributions made through the BlockFi platform during the “First Interim Distribution and will attempt cash distributions thereof where the creditor does not have a “matching” Coinbase account.

Customers may receive their Final Distribution in one or more payments.⁵ The Plan Administrator has made or will make the following distributions, which may take place at different times for the same client (i.e. a customer may and likely will receive the distributions below at

⁴ Supported Stablecoin is USDT, USDC, and GUSD. All distributions that were previously made in supported Stablecoin other than USDC are being made in USDC for the Final Distribution. All distributions on other Stablecoin are being made in cash (USD).

⁵ The Plan Administrator will endeavor to make successful distributions to all creditors who provide the information necessary to complete a distribution. Pursuant to the Plan, unclaimed distributions or distributions that cannot be made because creditors do not provide sufficient information revert to the Wind-Down Debtors six months after the Distribution Date. *See* Plan Art. VI.C.6.

different times) and different times for different clients (i.e. not all Coinbase distributions will be made on the same date):

1. Unclaimed in-kind portions of the First Interim Distribution to customers with a “matching” Coinbase account.
2. The full Final Distribution is being made in cash through Digital Disbursements (and any unclaimed First Interim Distribution) for customers without a “matching” Coinbase account. Note that there may be several weeks between submitting payment instructions and the distribution being made.
3. Any portion of the Final Distribution attributable to “altcoins” to customers with a “matching” Coinbase account is being made in cash through Digital Disbursements. Note that there may be several weeks between submitting payment instructions and the distribution being made.
4. The “in-kind” portion of the Final Distribution is being made in-kind for customers with a “matching” Coinbase account, in BTC, ETH, and USDC. Any supported non-USDC stablecoin is being distributed in USDC. Unsupported stablecoins are distributed in cash as discussed above.

[Signature page to follow.]

Dated: September 25, 2024

/s/ Daniel M. Stolz

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